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BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

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OCT 12 2006

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
BARRY WONG

AZ CORP COMMISSION  
DOCUMENT CONTROL

DOCKETED BY	
<i>SM</i>	<i>WKL</i>

IN THE MATTER OF THE APPLICATION OF  
ARIZONA WATER COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

DOCKET NO. W-01445A-06-0199

IN THE MATTER OF THE APPLICATION OF  
PALO VERDE UTILITIES COMPANY FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY.

DOCKET NO. SW-03575A-05-0926

IN THE MATTER OF THE APPLICATION OF  
SANTA CRUZ WATER COMPANY FOR AN  
EXTENSION OF ITS CERTIFICATE OF ITS  
EXISTING CERTIFICATE OF CONVENIENCE  
AND NECESSITY.

DOCKET NO. W-03576A-05-0926

PROCEDURAL ORDER

BY THE COMMISSION:

On December 28, 2005, Palo Verde Utilities Company ("Palo Verde") and Santa Cruz Water Company ("Santa Cruz") (collectively, "Global") filed an application with the Arizona Corporation Commission ("Commission") for an extension of their Certificates of Convenience and Necessity ("Certificate") in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926.

On March 29, 2006, Arizona Water Company ("AWC") filed an application with the Commission to extend its Certificate in Docket No. W-01445A-06-0199. On this same day, AWC requested to intervene in Docket Nos. SW-03575A-05-0926 and W-03576A-05-0926. AWC's request for intervention was granted by procedural order on April 12, 2006.

On April 7, 2006, Palo Verde and Santa Cruz filed an application to intervene in Docket No. W-01445A-06-0199.

On April 24, 2006, by Procedural Order, Palo Verde and Santa Cruz were granted intervention and the above-captioned matters were consolidated for purposes of hearing.

On April 27, 2006, Anderson & Miller 694, LLP filed a Motion to Intervene.

1 On April 28, 2006, CHI Construction Company ("CHI"), CP Water Company ("CP") and  
2 Anderson & Barnes 580, LLC ("Anderson & Barnes") filed Motions to Intervene.

3 On May 2, 2006, KEJE Group, LLC ("KEJE") filed a Motion to Intervene.

4 On May 3, 2006, Anderson & Val Vista 6, LLC ("Anderson & Val Vista") filed a Motion to  
5 Intervene.

6 On May 11, 2006, by Procedural Order, Anderson & Miller, Anderson & Barnes, CHI and CP  
7 were granted intervention.

8 On May 18, 2006, KEJE and Anderson & Val Vista were granted intervention.

9 On May 18, 2006, Ridgeview Utility Company, Picacho Water Company, Lago Del Oro  
10 Water Company and Santa Rosa Water Company (collectively "Robson Utilities") filed a Motion to  
11 Intervene.

12 On May 31, 2006, Gallup Financial, LLC filed a Motion to Intervene.

13 On June 1, 2006, Staff filed an insufficiency letter with respect to Global's application.

14 On June 1, 2006, Palo Verde and Santa Cruz filed a Response in Support of the Motion to  
15 Intervene by Robson Utilities.

16 On June 1, 2006, CHI Construction, which was granted intervention in this matter on May 15,  
17 2006, filed a Motion to Exclude the Property of CHI from the requested extension area.

18 On June 1, 2006, CP Water filed a Motion to Exclude CP from the requested extension area.

19 On June 7, 2006, Staff filed an Objection to the Motion to Intervene by Robson Utilities.

20 On June 12, 2006, Robson Utilities filed a Reply in Support of its Motion to Intervene.

21 On June 13, 2006, by Procedural Order, Gallup Financial, LLC was granted intervention in  
22 this matter.

23 On June 20, 2006, AWC filed a Response to CHI's and CP's Motions to Exclude Territory  
24 from Requested Extension Area.

25 On June 23, 2006, Staff filed a Sufficiency Letter in this docket indicating that Global's  
26 application had met the sufficiency requirements as outlined in the Arizona Administrative Code.

27 On June 23, 2006, Santa Cruz and Palo Verde filed a Motion to Vacate the Consolidation and  
28 a Motion to Dismiss the Application filed by AWC.

1 On July 10, 2006, by Procedural Order, Robson's Motion to Intervene was denied and a  
2 procedural conference was scheduled for July 27, 2006.

3 On July 27, 2006, the procedural conference was held as scheduled. The parties agreed to a  
4 continuance of the procedural conference and other procedural deadlines were set.

5 On July 28, 2006, Robson Utilities filed a Motion for Reconsideration on Denial of Request  
6 for Intervenor Status. Also on this date, Staff filed a Sufficiency Letter in this docket indicating that  
7 AWC's application had met the sufficiency requirements as outlined by the Arizona Administrative  
8 Code.

9 On July 31, 2006, a Procedural Order was issued setting various dates; however, the  
10 Procedural Order inadvertently misstated some of the dates and an Amended Procedural Order was  
11 issued on August 7, 2006.

12 On August 7, 2006, by Procedural Order, a procedural conference was scheduled and various  
13 deadlines were established.

14 On August 15, 2006, the procedural conference was held as scheduled to hear oral argument  
15 on Global's Motion to Dismiss AWC's Application and Global's Motion to Vacate Consolidation  
16 and/or to Sever. At hearing, Global, AWC and Staff appeared through counsel. After consideration  
17 of the pleadings filed and arguments presented at the Procedural Conference, Global's Motion to  
18 Dismiss AWC's Application and Global's Motion to Vacate Consolidation and/or Sever, were  
19 denied.

20 On September 12, 2006, by Procedural Order, the evidentiary portion of the hearing was  
21 scheduled and filing deadlines were established.

22 On September 27, 2006, a Procedural Conference was held to hear oral argument on CP  
23 Water and CHI Construction's Motions to be excluded from AWC's proposed CC&N extension. At  
24 the Procedural Conference, the parties agreed to continue the oral argument so that parties could  
25 engage in further settlement negotiations. It was further agreed that oral argument on this issue  
26 would reconvene on October 27, 2006.

27 On September 29, 2006, Staff filed a Motion for an Extension to file its Staff Report until  
28 settlement discussions are concluded.

1 On October 3, 2006, Global filed its Response to Staff's Motion for an Extension.

2 On October 4, 2006, AWC filed its Response to Staff's Motion for an Extension of Time.

3 IT IS THEREFORE ORDERED that Staff shall file its **Staff Report and/or direct testimony**  
4 **and associated exhibits to be presented on behalf of Staff shall be reduced to writing and filed**  
5 **on or before October 25, 2006.**

6 IT IS FURTHER ORDERED that **oral argument** on CP Water and CHI Construction's  
7 Motion to be Excluded from AWC's CC&N Extension shall commence on **October 27, 2006 at 1:00**  
8 **p.m.**

9 IT IS FURTHER ORDERED that any **direct testimony and associated exhibits to be**  
10 **presented at hearing on behalf of intervenors** shall be reduced to writing and filed on or before  
11 **October 25, 2006.**

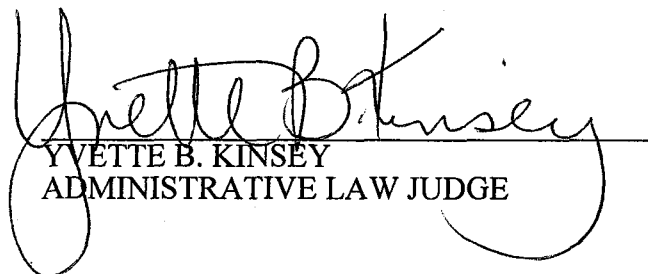
12 IT IS FURTHER ORDERED that AWC and Global shall file their **Responses to the Staff**  
13 **Report and/or any direct testimony and to any intervenors' testimony** on or before **November**  
14 **27, 2006.** The Response may be in the form of rebuttal testimony, and shall include any associated  
15 exhibits.

16 IT IS FURTHER ORDERED that any **substantive corrections, revisions, or supplements**  
17 **to pre-filed testimony, the Staff Report or the Company's Response shall be reduced to writing**  
18 **and filed no later than December 4, 2006.**

19 IT IS FURTHER ORDERED that pursuant to the September 12, 2006 Procedural Order all  
20 other procedural deadlines shall remain the same.

21 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
22 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

23 Dated this 12<sup>th</sup> day of October, 2006

24  
25  
26   
27 YVETTE B. KINSEY  
28 ADMINISTRATIVE LAW JUDGE

Copies of the foregoing mailed/delivered  
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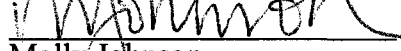
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